## STATE OF ALASKA

DEPT. OF ENVIRONMENTAL CONSERVATION DIVISION OF AIR QUALITY AIR PERMITS PROGRAM

## SARAH PALIN, GOVERNOR

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CERTIFIED MAIL: 7004 0550 0001 2289 9310 Return Receipt Requested January 11, 2008

Leonard Gurule, Senior VP Forest Oil Corporation 310 K Street Anchorage, AK 99501

George Paspalof, Manager AK Operations Pacific Energy Resources 310 K Street Anchorage, AK 99501

Subject: Transfer of Ownership, Administrative Amendment, from Forest Oil to Pacific

Energy, Six Air Permits

Dear Mr. Gurule and Mr. Paspalof:

The Department has received correspondence on December 4, 2007 along with affidavits which reflect the transfer of ownership of the following six air permits from Forest Oil Corporation to Pacific Energy Resources LTD:

Kustatan Production Site Permit #AQ0741TVP01 File #2339.16.025 Kustatan Production Site Permit# AQ0741MSS01 File #2339.16.025

Osprey Platform Permit #AQ0696TVP01 File # 2339.16.022 Osprey Platform Permit #AQ0696MSS01 File # 2339.16.022

West McArthur River Unit Permit #AQ0276TVP01 File # 2339.16.008
West McArthur River Unit Permit #AQ0276MSS01 File # 2339.16.008

The Department finds that the change in the ownership of this stationary source is an administrative amendment of the Title V permits as described by 40 C.F.R. section 71.7(d) adopted by reference in 18 AAC 50.040(j) and a revision of non-substantive elements of the minor permits as described in 18 AAC 50.546(b). This administrative revision to Permits AQ0741MSS01, AQ0696MSS01, and AQ0276MSS01 does not change the technical bases for the permits as described in the Technical Analysis Reports for the permits.

Forest Oil Pacific Energy

These administrative amendments and revisions do not relieve the new permittee from the responsibility to apply for any other permit or approval required by the Department, the U.S. Environmental Protection Agency, or local governments. Please be advised that State regulations may differ from federal regulations. If you have any questions regarding compliance with federal regulations, you should contact EPA.

As set out in the signed transfer of ownership form you provided, the obligation of all permit conditions including pending applications associated with the stationary source and financial responsibilities are accepted in the entirety by the new owner or operator.

If you disagree with this decision, you may request an adjudicatory hearing in accordance with 18 AAC 15.195-18 AAC 15.340, or an informal review by the Division Director in accordance with 18 AAC.15.185. Informal review requests must be delivered to the Division of Air Quality Director, E. Ship Creek Suite #249, Anchorage, AK 99501, within 15 days of this decision. Adjudicatory hearing requests must be mailed to the Commissioner, Alaska Department of Environmental Conservation, 410 Willoughby Avenue, Suite 303, Juneau, Alaska 99801-1795, within 30 days of this decision.

If a hearing is not requested within 30 days, the right to appeal is waived. If a hearing is granted, it will be limited to the issues related to this decision. You are reminded that even if an adjudicatory hearing has been requested and granted, all permit conditions remain in full force and effect.

Please note that Alaska's air quality statutes, regulations, and permit application information can be obtained from the Department's web page at <a href="http://www.dec.state.ak.us/air/ap/mainair.htm">http://www.dec.state.ak.us/air/ap/mainair.htm</a>.

Sincerely,

John Kuterbach

Air Permits Program Manager

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Enclosures: Six transfer of ownership forms and the six amended permits as identified above.

cc: Debra Dalcher, ADEC/APP, Anchorage P. Moses Coss, ADEC/APP, Fairbanks Jim Baumgartner, ADEC/APP, Juneau Laurie Kral, EPA Region X, Seattle

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